



# Committee On Finance

Max Baucus, Chairman

---

## NEWS RELEASE

<http://finance.senate.gov>

For Immediate Release  
February 16, 2007

Contact: Carol Guthrie  
(202) 224-4515

## **BAUCUS LOOKS AT PROPOSED MEDICARE ADVANTAGE RATES**

*Senator aims to ensure Medicare dollars are successfully serving America's seniors*

**Washington, DC** – Finance Committee Chairman Max Baucus (D-Mont.) said today that he will look closely at proposed increases and total spending on the Medicare Advantage program to see if that program spends America's health care dollars as wisely as possible. This announcement comes after the Centers for Medicare and Medicaid Services (CMS) released the proposed 2008 inflation-related increase in rates for Medicare Advantage plans late this afternoon. Baucus said that while a yearly increase is reasonable, it's time to revisit overall spending on the Medicare Advantage program.

**"This is an opportunity for us to look closely at the Medicare Advantage program to see if funneling dollars into private plans gets us the most bang for our health care buck,"** said Baucus. **"Every Medicare dollar we spend needs to do the most possible good, and seniors with the most dire medical problems must get the care they need. A yearly increase in rates is fine, but I'm going to look closely to see whether the money we're spending on Medicare Advantage is really being put to its best use."**

According to CMS, the proposed inflation-related rate increase for the Medicare Advantage program will be 4.1 percent. Senator Baucus will also take a look at how CMS implements the Deficit Reduction Act requirement to adjust differences in the reporting of diagnoses between Medicare Advantage and fee-for-service. The Senate Finance Committee has jurisdiction over the Medicare program.

###